

Modernization in China: A Gramscian Perspective

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ABSTRACT

China's rapid economic growth has driven its modernization and increased its global influence across economic, political, and military areas, restructuring the US-led international order. While engaging with the Liberal World Order, China's rise occurs alongside a perceived challenge to the US and unipolarity, sparking debates about the future of global governance. China will focus more on economic strategies and soft power rather than military aggression to avoid provoking a US backlash. This study examines China's impact on the international order by combining material, ideational, and institutional perspectives through a Neo-Gramscian framework. It critiques traditional IR theories—Realism's focus on material factors, Liberalism's emphasis on institutions, Constructivism's normative approach, and Marxism's class analysis—as inadequate on their own. Instead, it shows how China's rise juxtaposes economic strength, ideological narratives (e.g., "developmental peace"), and institutional efforts (e.g., AIIB, BRI) to remake power dynamics. The analysis covers domestic policies, regional leadership, and global institution-building, revealing China's role as a challenger to US-led international order. By integrating these aspects, the study provides a comprehensive understanding of China's challenge to Western dominance. It concludes that the evolving global order requires frameworks that consider both structural and ideological transitions, with China's strategies exemplifying adaptive hegemony rather than direct confrontation.

Keywords: Modernization, Neo-Gramscian, Constructivism

INTRODUCTION

The economic rise of China in recent decades has facilitated its rapid modernisation on the global stage. This modernisation is reflected in its increased economic, political, and military influence worldwide (Micheal Brown, 2000). The growth in a nation's power affects the global order in various ways, and China's rise—primarily driven by its economic strength supported by the Liberal World Order—seems to have extensive effects on the international system. China's ascent has sparked much debate about its implications for global stability and international order. The declining position of the USA is a frequent topic of discussion, with many suggesting that the US will likely have a diminished role in global governance. Meanwhile, China is expected to expand its influence within the Liberal Order (Ikenberry, 2019). Furthermore, most analysts suggest that China's rise will likely occur through political and economic strategies, combined with different forms of soft power, rather than overt military action, to avoid provoking an American backlash. This study aims to explore how China's economic growth and modernisation influence the world order, which has been shaped and led by the United States. The study employs all fundamental theories of international relations to examine China's development across various domains, including the economy, military, organisations, and institutions, and offers a synthesis of material, ideational, and institutional aspects, as highlighted by the Neo-Gramscian School of thought.

This school addresses the gaps left by the dominant theories. Realists and Liberals focus on material aspects, while the Constructivist School emphasises ideational factors. The Marxist School critiques capitalism and primarily examines class struggle. However, the rise of China cannot be fully explained solely through these perspectives; rather, it is an amalgamation of material, ideational, and institutional factors that collectively justify China's rise at internal, regional, and international levels.

Historical Context

Historically, the competition between rising powers and status quo powers over the shape of the international order has resulted in major wars. While incremental changes to the international order are acceptable as long as the status quo power can adapt, substantial changes threaten stability. Thus, for the United States as the status quo power, understanding the course China is most likely to traverse in its ascent to power is a requirement for enabling measured adjustments and maintaining stability. As the USA seeks to preserve its position of leadership in the international order despite declining relative capacity, an accurate picture of how China seeks to challenge the United States for leadership and influence is critical. China adopted an openness policy in 1978 with Chinese Characteristics, as a major shift in its national and foreign policy, resulting in economic rise coupled with tremendous modernisation (David Shambaugh, 1993). Driven by the economic power, China is investing on many fronts and is therefore, transforming itself into a smart as well as a strategic power. Therefore, while looking at the rapid rise of China, it can be calculated that the strengthening economy of China is enabling to modify the geo-political structure of the world. This is reflected in the establishment of organisations like AIIB (Asian Infrastructure and Investment Bank) and BRI (Belt and Road Initiative), which pose a challenge to the US-led hegemonic world order, i.e. unipolarity. In addition, this study seeks to advance the discussion of China's rise away from the inaccurate dichotomist perspectives that currently exist, towards an accurate critical neo-gramscian framework that better suits the context of today's global environment.

The aims of the study include; to identify the historical patterns and contemporary dynamics of economic rise and modernisation in China and its relevance for the existing international arrangement, the factors contributing to modern China's power within Liberal World Order and to evaluate the role of China in establishing alternate institutions and their role on existing order.

This study responds to one main question: How does modernisation in China affect the Liberal World Order and consequently challenge the power of the United States of America within a Gramscian Perspective?

China's foreign policy objectives should be evaluated through Chinese actions rather than any declared doctrine. (Shaun 2023). With this in mind, this study examines closely China's BRI initiative and the creation of the AIIB. These cases are significant because they are recent and likely reflect Chinese aims of establishing a new world order in the coming years.

To assess it, three cases have been developed regarding China's economic rise and how it affects the world order;

Rise Within Liberal Order

It emphasises that China is developing as a potential partner within the Liberal International Order. Several academics argue that China is poised to become a benevolent global power, as it promotes the concept of China's "peaceful rise" to ease Western and international community concerns about its growing economic and political strength (Zhao, 2015). The Chinese Premier once stated that "China will not come at the cost of any other country, will not stand in the way of any other country, nor pose a threat to any other country" (Richardson, 2020). Thus, China appears to be on a path toward a peaceful rise (Ikenberry, 2003). It does not seek to replace the USA as a hegemonic power (Chan, 2004; Beeson, 2008).

Moreover, scholars suggest that since China has greatly benefited from the liberal economic world order, the likelihood of China engaging in conflict or challenging behaviours toward the US is low (Chan, 2004; Beeson, 2009).

Create Illiberal Order

China is emerging as a revisionist power and is likely to challenge the international order with its illiberal values. This view aligns with the Realist tradition and its sub-schools, such as Defensive and Offensive Realism, Hegemonic Stability Theory, Balance of Power, and Power Transition Theory (Mearsheimer and Gilpin 2021, Allison 2017). According to these perspectives, the USA is rationally pursuing conflicting policies with China to counter its material and ideological advances across the economy, military, technology, diplomacy, institutions, and values (Oliver Turner, 2013). In contrast, China aims to build its material power and become a more pragmatic nation, seeking to capitalise on the openness policy initiated in the late 1980s. Deng Xiaoping's 1978 reforms transformed China, which some believe will lead to the end of the U.S.-led economic world order or the New World Order (Ezra Vogel 2013, 2014, 2015). Essentially, under realism, China's rise is unlikely to occur peacefully. The power transition between China and the U.S. is expected to be conflictual, and China will likely establish its own illiberal order.

Exaggerated Rise of China

China's rise is either nonexistent or exaggerated and does not pose an existential threat. This view is supported by Constructivist perspectives and proponents of World System Theory (Ghosh, 1981). As a developing country, China primarily focuses on economic growth, so fluctuations in its economic performance are often seen as positive signs. Ikenberry (2008) notes that despite being the world's second-largest economy, China's growth rate is slowing. Many scholars and policymakers argue that China is not deeply embedded in any alliance system or possess a military strength that would support a full-scale war (Rush, 2019, pp. 11-13). Nonetheless, China has significant influence globally, mainly due to its growing economy, although its economic indicators still lag behind Western powers, especially the United States. Given China's rapid economic rise and increasing dominance in international trade, some researchers predict it marks yet another "hegemonic cycle" in the world system, suggesting China might become the next hegemon after the U.S. However, according to world-systems theory, the rise and fall of hegemonic powers are gradual processes (Grell, 2017, p. 9).

Alternate Liberal Order

The leading literature on the rise of China does not explain the fundamental argument of its transformation of economic power into an institutional framework. Although China has facilitated the U.S.-led liberal world order, it has maintained its distinct character, thereby averting Western "universal values" like constitutional democracy, neoliberalism, civil society, free journalism, with its version of "Socialism with Chinese characteristics" (Bo, 2018).

China is seeking to build an alternate Order to accommodate its persistent rise and to assume leadership position in future. Such an order would likely be characterised by five key aspects: international institutions, multilateralism, open economic cooperation with a state-led capitalism, global governing mechanisms and inclusivity (Xi Jinping, 2023).

China is investing in creating trans-national institutions to spread its values through initiatives like the BRI, AIIB, NDB, and the Shanghai Cooperation Organization. This effort is driven by its material

strengths and ideological factors. Additionally, China is evolving from a rule-following state to a rule-making one, aiming to bide time and conceal its capabilities (Suisheng Zhao, 2019).

Although China benefits from liberal values such as globalization and liberalization, it also actively promotes its own set of values to the rest of the world. These efforts aim to shape economic, financial, and trade policies around Eurasian-centred frameworks. China's investment in institutions like the BRI and AIIB highlights its role as a global power and its ambition to become an alternative rule-maker in the future. AIIB's infrastructure projects embody 'Chinese Characteristics' and reflect a deliberate externalization of China's domestic political-economic model (Mark Seldon, 2016). However, Chinese values still contrast sharply with the U.S.-led liberal international order. While China has gained considerably from deeper integration into the liberal order, it continues to grow and shows a strong preference for an alternative, Sinic-driven system (Saeyoung Park, 2016).

Theoretical Framework: Neo-Gramscian theory

The Neo-Gramscian approach draws on both Marxist and Gramscian perspectives, emphasising structures, means of production, societies, and classes (Bieler & Morton, 2003, pp. 08-28). Antonio Gramsci, an Italian communist scholar, proposed Neo-Gramscianism as an alternative critical approach in International Relations and International Political Economy (Burnham, 1991). While it appears more critical of traditional IR theories, it synthesises elements of Realist and Liberalist theories, adding its own contributions through social forces, traditions, and societal elements in shaping hegemony, dominance, and world order. This approach draws on Neo-Realist and Neo-Liberalist thought but challenges their exclusive focus on structure, viewing structure as a component of world order rather than the sole determinant (Bieler & Morton, 2003, pp. 8-28; Moore, 2007). According to Robert Cox, traditional Realism in international relations prioritises states' material capabilities and confines world order to the distribution of power, often neglecting ideational factors such as social, cultural, and normative aspects, along with institutions, which are vital in shaping foreign policies. Neoliberals like Robert Keohane and Joseph Nye incorporate institutions and international norms, expanding IR's scope through the concept of hegemonic stability. They argue that a single hegemon provides stability, driven by strong values and norms, reflected through resilient international regimes (Budd, 2013; Cox, 1983, pp. 124-136). Cox extends Gramscian hegemony to the level of consent, asserting that successful power transitions rely on popular support, which embeds the dominant power's principles and ideas into the global order. States with significant power leverage material and ideational strengths to promote their values, establishing institutions that spread their ideas and create a new world order. These institutions act as stabilisers, either driven by state principles or emerging from collective interests aimed at human welfare (Cox, 1983, p. 136; Peng, 2018, p. 52). Gramsci's concept of hegemony is closely linked to institutionalism, blending material capabilities and ideas to establish rule (Bieler & Morton, 2000, p. 90). For example, Pax Britannica resulted from combining material strength, such as the British naval power, with ideational factors like liberal values, globalization, capitalism, and the gold standard within the British Empire.

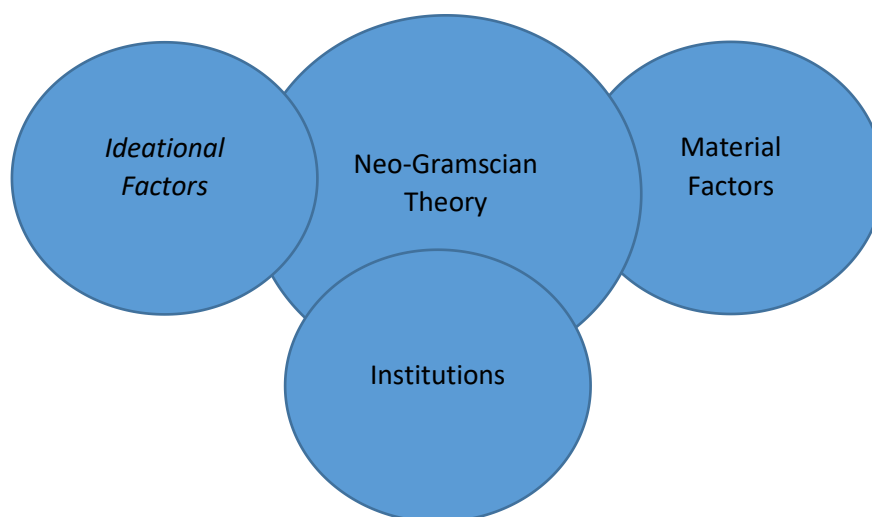


Figure : Theoretical Framework; Neo-Gramscian Theory

Neo- Gramscian perspective on Modernization of China

The Neo- Gramscian approach effectively explains China's pursuit of material capabilities, driven by increased economic and military spending, ideational factors shaped by "Chinese characteristics," and a state-centric, controlled capitalism within authoritarian regimes. This is reflected in initiatives like the Belt and Road Initiative and the establishment of the AIIB (Asian Infrastructure Investment Bank). These three forces enable China to emerge as a future global hegemon. To maintain its relevance, China skillfully integrates material, ideational, and institutional strategies into its global system influence (Li et al., 2010; Huang, 2010; Kennedy, 2010; Ikenberry & Lim, 2017). These dynamics empower China to rise steadily, increasingly seen as a future hyperpower (Roach and Steven, 2016, pp. 59-71; Bo, 2016; Pass, 2018; Gaan, 2021). This shift prompts scholars to view the decentralisation of world power from the Global North to the Global South, signalling a transition from a unipolar to a multipolar world order. Chinese investments across economic, military, technological, cultural, and diplomatic sectors challenge the U. S.- led global order, and, guided by neo- Gramscian theory, Beijing appears to be moving in the right direction (Peng, 2018). China is transforming its economic might into military strength, as seen in rising military expenditures and expanding influence beyond Asia (Rucki, 2011). The consolidation of its economic and military power positions China as a potential future hegemon, a trend supported by historical power transitions (Pass, 2019). Since the late 1970s, China has evolved from an isolated, orthodox agricultural, anti- revisionist Communist state to an active participant in the Liberal International Order (Peng, 2018, p. 59). Liberal economic policies have expanded China's material capacities, bolstering its economic and military strength. This formidable force influences global affairs through active participation in the US- led world order and key international institutions (Bo, 2018, pp. 48-72).

In the meanwhile, China has remained ideologically steadfast through all these years and has not transformed into a liberal nation though partially adopted liberal values in economics. (Krugman, 1994, p. 70). Its foreign policy highlights immense focus on disseminating Chinese thoughts and values which are well adopted in the far-reaching impact of its institutions like BRI (Mark Beeson 2018, p. 240-255). The BRI is tremendously paramount in China owing to its geo-economic as well as geo-political implications. Similarly, China is transforming its material power and ideational power practically through BRI and is

henceforth, aiming its dissemination through soft power across the world (Shambaugh, 2015; Zhang, 2017; Zhou & Esteban, 2018; Duarte, 2019; Kettunen, 2019; Himaz, 2019).

Although China has supported the U.S.-led Liberal World Order, it has preserved its unique identity, avoiding Western “universal values” such as constitutional democracy, neoliberalism, civil society, “historical nihilism,” and free journalism, instead promoting its own form of “Socialism with Chinese characteristics” (Bo, 2018).

China is investing in the creation of trans-national institutions to spread its values through initiatives like BRI, AIIB, NDB, and the Shanghai Cooperation Organisation, leveraging its material capabilities combined with ideational factors. Furthermore, it is progressing from a rule-following state to a rule-maker in pursuit of a “war of position” strategy (Pass, 2020). Although China is well supported by liberal values, particularly globalization and liberalisation, it is simultaneously attracting the rest of the world to join its projects that promote Chinese values, which are crucial for its continued rise as a distinct power in the international system (Peng 2018, p. 49). These institutions aim to reorganise the economic, financial, monetary policies, and global trade flows around Eurasian-centric spheres (Amineh, 2022). China’s investment in alternative international organisations, especially BRI and AIIB, reflects its significance as a global power and its tendency to emerge as an alternative rule provider in the future (Ramos, 2021). The infrastructure-led development exemplified by AIIB demonstrates “Chinese Characteristics” and the “fair externalisation of China’s domestic political-economic model” (Zhou & Esteban, 2018, p. 501; Liu & Dunford, 2016; Liu et al., 2018, Passi, 2019; Amineh, M. P., 2022). However, Chinese values remain a stark contrast to the prevailing U.S.-led liberal international order.

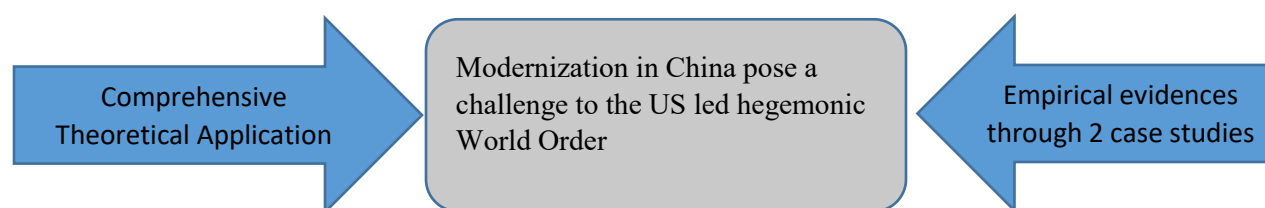


Figure : *Research Design*

Although, China has gained a lot through deeper integration in conforming to the liberal order yet, it is still rising and demonstrating stronger inclination to an alternate Sinic set of system. (Skidmore and Stephen, 2016. P. 43-49).

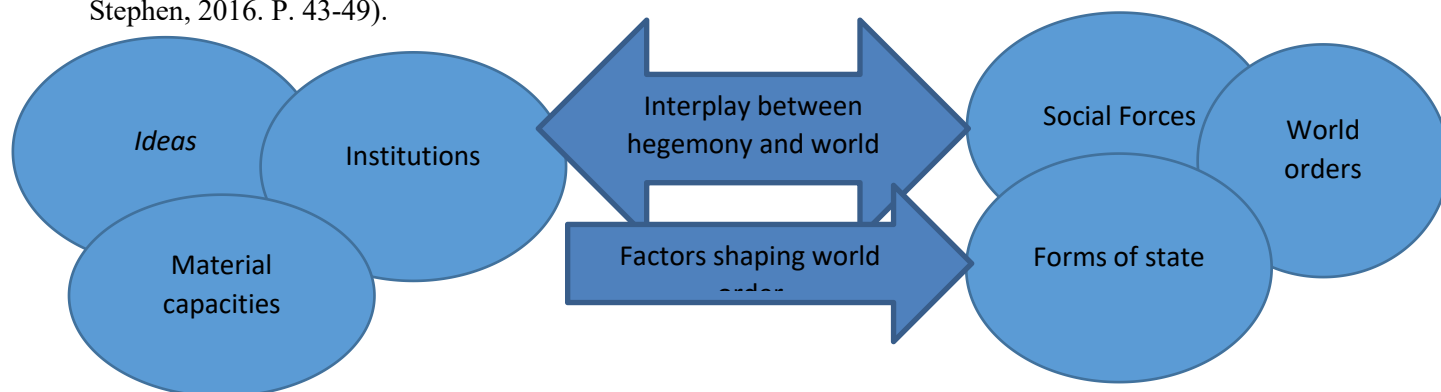


Figure : *Theoretical Framework; Neo-Gramscian Theory*

China's path to modernization can be understood as a hegemonic project in Gramscian terms—one that secures both consent and coercion through a careful blend of ideas, economic structures, and institutional control. The Chinese Communist Party (CCP) actively constructs a dominant ideological narrative, manages economic transformations to align class interests with the state, and controls civil society to sustain long-term rule.

Material Foundations of Modernization in China

China's modernisation story extends beyond ideological shifts and political adaptation; it is fundamentally driven by material changes. From reorganising class relations to developing new production and accumulation methods, economic modernization is a key part of the CCP's dominance strategy. This study explores how processes like industrialization, urbanization, market reforms, and capital accumulation have been strategically used to strengthen political control. Using Gramsci's concept of the link between economic structures and hegemonic power, we analyse how the CCP has built a new historical bloc rooted in a transformed material base, thus justifying its leadership in the post-reform period.

Gramsci and the Material Basis of Hegemony

Although Gramsci highlighted the importance of culture, ideology, and civil society, he still maintained the classical Marxist focus on the material foundation of society. He viewed the connection between the economic base and the superstructure as dialectical. Hegemony is established when a class or alliance of classes not only controls the economy but also extends this control into political and ideological spheres. This integration of material and ideological dominance forms the core of what Gramsci describes as a historical bloc.

Production within a society is primarily influenced by and serves the dominant political aims of those in power. This connection ensures that economic systems produce the resources, legitimacy, and social stability needed to uphold the current power structure. A key aspect of sustaining this system is transforming class relations and forming a new ruling coalition. Typically composed of established elites and emerging social groups with significant economic or political influence, this coalition maintains control. Its goal is to manage the state apparatus and direct productive forces to pursue hegemonic political goals, thereby preserving the status quo through a reshuffling of power at the top.

Typically, this concentration of power among new classes occurs under intense social pressure or the threat of revolution by lower classes. To prevent genuine revolutionary opposition from the working class and to preserve existing power and property relations, the ruling elite often adopts a passive revolution strategy. This approach involves top-down reforms and carefully calculated compromises. While these reforms may meet some demands of the masses or modernize segments of the state and economy, they are controlled and limited. The main aim is to absorb discontent, reduce confrontation, and foster acceptance, allowing the ruling coalition to manage change gradually without losing control or empowering grassroots movements. Thus, passive revolution represents a form of controlled change that maintains the existing link between production and political power.

These ideas enable one to see modernization of China not just as economic expansion, but material reorganization in the name of hegemonic entrenchment.

The Reform Era as a Material Realignment

The Reform Era in China, starting in 1978 under Deng Xiaoping, brought a significant shift in material organisation. The shift from a centrally planned economy to a 'socialist market economy' was more than just liberalization; it was a strategic restructuring that linked economic reforms with political goals of modernization, stability, and Party control. Agricultural collectivization was replaced by the Household Responsibility System, encouraging surplus production and rural entrepreneurship. Special Economic Zones (SEZs) drew in foreign investment and connected China to global markets, while state-owned enterprises were gradually reformed to be more competitive and profit-driven. These reforms fundamentally changed China's development path by integrating the country into international production networks and providing the means to sustain CCP authority and legitimacy.

These material factors also reshaped class relations, leading to a new ruling coalition. A technocratic elite, private entrepreneurs, and transnationally connected capital joined the CCP bureaucracy, forming what can be viewed through a Neo-Gramscian perspective as a reconstructed historic bloc. Instead of collapsing under external capitalist pressures or internal class conflicts, the Party artfully managed reform as a passive revolution—implementing top-down reforms to preempt demands for democratisation or liberalisation from below. By carefully opening the economy while maintaining control over critical sectors, the CCP ensured that material gains strengthened its hegemonic position. This combined process of liberalization and authoritarian consolidation enabled China to grow rapidly, lift hundreds of millions out of poverty, and lay the material groundwork for its re-emergence as a global power.

From Maoist Collectivism to Market Socialism

During Mao's era, the CCP's legitimacy hinged on class struggle, revolutionary rhetoric, and a command economy. However, by the late 1970s, economic stagnation and internal contradictions made radical change necessary. The reforms initiated by Deng Xiaoping in 1978 marked the beginning of a passive revolution—an overhaul of the material foundation through:

A defining characteristic of China's economic revolution of the late 1970s was a top-down unwinding of the collective farm experience approximated by agricultural de-collectivisation, which reduced Chinese rural labour and increased agricultural productivity. This excess labour, combined with local initiative and capital, sparked the initial boom in Township and Village Enterprises (TVEs), which became key sources of industrialisation and international exports in the region. At the same time, the policy of opening up to foreign investment marked a break with autarky, as it involved seeking capital, technology, and management experience. In order to embrace and control this foreign investment, the government was the first to set up Special Economic Zones (SEZs), which include Shenzhen. These geographical enclaves provided special policies, physical infrastructure, and regulatory discretion that became laboratories of market reforms. Also, they became the major hubs of export-based production, thus leading the country into integrating with the global economy. This restructuring redistributed material relations of production and linked capitalist modes of accumulation in the ideological image of "Socialism with Chinese Characteristics".

Globalization and China's Role in the International Material Order

The modernisation in China cannot be seen without its full incorporation with the world capitalist system, which has not only facilitated modernisation but also defined it. Placing itself at the centre of global supply chains, China emerged as the global end of labour-intensive manufacturing and export-oriented

growth that caused unprecedented surge in foreign direct investment. This integration provided an opportunity to accumulate a huge amount of capital, driving rapid industrialisation, technical upgrades, and urbanisation. The process was strategically orchestrated by the state so that the global capital flows were utilised to the domestic agenda without full liberalisation, so that the nation-state could maintain its centrality in leading the national economy in the modernisation.

This has resulted in China becoming the centre of the manufacturing world, manufacturing everything, from cheap consumer products to high-end electronic devices. This power has not only changed the dynamics of domestic classes and development patterns but shifted the global economic patterns too. In becoming an essential part of the global production system, China relegated Western economies to the sidelines of the global economic scene and put the economic power centre of the world in Asia. Its ascendancy explains the reality that entry into the capitalistic sphere does not always mean submission; instead, through state-related policies, China has rearranged the distribution of economic leverage in the world to its advantage, making it a recipient and a potential threat to the liberal international order.

However, China is not a passive participant in global capitalism; it is actively trying to change world capitalism, as evident in the following: China has engaged in a strategy to redefine global capitalism, rather than conforming to existing forms. This aspiration is part of its interest in having a greater leadership position in international economic management.

Services such as the Asian Infrastructure Investment Bank (AIIB) have provided an alternative financing institution that counters the Western-dominated systems by offering new infrastructure funding sources with limited political requirements to developing countries. AIIB is a conscious and constructive attempt at reforming financial governance in the world by subjecting the emerging economies to greater influence.

The Belt and Road Initiative (BRI) is a masterpiece of China's vision for a transformed world economy. By funding and building such infrastructure, DIACCCulture is following in the footsteps of Carlos Rotave and Taylor, (GLOBAL) China is reorienting trade patterns and establishing new spheres of economic engagement that serve its strategic objectives. The BRI does not only enhance the commercial presence of China but creates both short- and long-term geopolitical relationships that have seen Beijing emerge as the major designer of transcontinental connectivity. The operation shows that China is using economic statecraft to restructure trade networks in the region and in the world.

In addition to tangible economic endeavours, China has been steadfast in espousing the idea of a multipolar world order, which minimises American supremacy in international organisations. It has lobbied to have reforms made within institutions such as the UN and IMF better to serve the rising economic importance of developing countries. China promotes slogans such as the South-South cooperation, thus becoming a leading agent of the Global South and distorting the norms of governance imposed by the West. The given diplomatic policy is an addition to its financial and infrastructure ones and serves as an overall universal policy to the redistribution of global power.

Cumulatively, these efforts indicate China has been waging a strategic policy to rebuild the global capitalism on its conditions. Instead of scrapping the current system altogether, China effectively operates within it while also creating parallel systems and networks. The combination of the two would enable Beijing to move the economic and geopolitical influence to the East with time having a world order whose rules and standards are dictated by China. Taken altogether, the AIIB, BRI, and the push towards multipolarity all go to show that China is set to not only become a participant in 21st-century globalisation but is also intent on becoming one of the builders of globalisation in the 21st century.

It is an effort to establish a counter-hegemonic material order or at least, challenge Western dominance, which falls in line with what Gramsci envisioned about international hegemony both being based on capabilities as well as a leadership with regard to ideas.

From a Gramscian perspective, Chinese modernisation is fundamentally materialist. It involves not just economic growth and industrialisation, but also a deeper reorganisation of classes, production relations, and spatial arrangements. The CCP-led passive revolution advanced the material foundations while preventing a similar overhaul of the political superstructure. The Party has forged a new historical bloc by aligning the interests of emerging economic classes with Party leadership and integrating capitalist tendencies within a nominally socialist system. This class is held together by promises of prosperity, social mobility, and national greatness, which have so far maintained popular support and reinforced the Party's dominant authority.

Viewing Chinese modernization through this material Gramscian perspective permits us to look beyond the superficial aspects of Chinese reform. It allows us to reveal the institutional logic behind an authoritarian capitalist regime.

The economic reforms in China, which began in the late 1970s, included a tactical destruction of the collective farm organisation in the form of de-collectivisation in agricultural production that led to an increased rate of productivity and liberation of the rural workforce. Local initiative and capital, coupled with this surplus labour, led to a boom in Township and Village Enterprises (TVEs), which began to drive both early industrialisation and export promotion into and out of the countryside. At the same time, the policy of opening up to foreign investment was a committed departure from autarky in search of capital, technology, and management skills. To lure this foreign investment and organise it appropriately, the government was the first to create Special Economic Zones (SEZs), one of which is Shenzhen. These geographically marked areas were provided with favourable policies, infrastructure, and regulatory flexibility, serving as laboratory experiments for market reforms and a source of significant export-related manufacturing. This process initiated the countermovement. Meanwhile, China has remained ideologically steadfast throughout these years, not transforming into a liberal nation. However, it has years now are interested in preserving the existing system and their material well-being is linked to Party rule. The middle ranks, in particular, deliver the resistance to the pressure of radical reform, rather like the allied classes who ease transition in a historical bloc, as Gramsci envisaged.

It is through modernisation that the nature of material space and infrastructure of China has changed, as China has recently experienced rapid urbanisation, where the dynamic production led to a historic mass-migration, and which has altered the economic and social face of China. The rural workers who migrate to urban centres have created a large, mobile labour market that sustains the industry and consumer-goods service industries, while also spawning a boom in consumer markets. These cities house hundreds of millions today and act as locomotives of economic development, concentrating both the supply of labour and consumer demand in a manner that continues to support an export-led and increasingly domestically oriented consumption-based economy in China.

In addition to domestic growth, China's economic aspirations are being projected onto the global stage through monumental infrastructure projects, such as the Belt and Road Initiative (BRI). More than a set of infrastructure projects, the BRI is a geopolitical instrument helping China to expand its economic and logistical infrastructure across the Asian continent, Africa, and much further. Through the funding and building of ports, rail lines and industrial zones, China is gaining food supply lines and market access not

just the routes. Particularly, it is also developing dependencies, in that it becomes an invaluable economically and can flex its muscles by shaping the balance of power in its favour in the region.

In the urban realm of China, the state authority and capitalist control become two sides of the same coin that secure the order and efficiency. Cities are highly controllable areas, and in such places, sweeping control in the form of surveillance, control in the realms of labour, and consumerist ideology are congruent in enhancing social amicability. Digital surveillance patterns, social credit systems and business obedience are used by the state to control behavior whilst material motivation is provided by the consumer culture and by rises in living standards. This mutually reinforcing process of coercion and co-optation makes sure that cities are not only places of economic liveliness but also places of, and spaces of, political domination through the systematic reproduction of discipline in labour and ideological conformism.

Urbanization is then not only a material or ideological project, but it also includes the reshaping of the production and living process and gives new types of permission in existence. These space transformations are used to reproduce a national level and global level of hegemony.

The observations of Gramsci that hegemony is never complete are particularly relevant in the context of China, where rapid changes in the situation before and after the Reform Era led to significant social dislocation. The same market reforms enhanced inequality, wealth and income distribution, generated the urban-rural disparities, and formed novel strata of precarious workforce, a condition that was jeopardising the social legitimacy of the Chinese Communist Party (CCP). The Party has responded by being forced to absorb, neutralise and transform the social policy into a response to grievances without imperilling its monopoly of power. This process underlines the fact that hegemony is not always maintained through material increase but also through well-controlled concessions that do not allow the disgruntlement to develop into systematic resistance.

Among the major mechanisms has been the growth of welfare reforms. Starting in the 1990s and especially in the 2000s, the state added a minimum living standard guarantee, rural cooperative medical schemes and eventually rural pension systems. These policies were designed to address the consequences of market liberalisation and serve as a safety net for individuals who did not benefit from China's expansion. Institutionalising a floor of social protection in this way enabled the CCP to claim to offer stability and well-being at a time when few had them, and to frustrate grass-roots activism based on inequality or unemployment. These partial reforms gave the regime leverage to give an impression that they were responsive and concerned about the welfare of the people, helping strengthen the hegemonic argument that the regime had a right to rule.

Other campaigns, such as the poverty alleviation campaigns, have been more focused and visible, particularly during the rule of Xi Jinping. Proclaiming the abolition of the state of absolute poverty by 2020, one of the main political successes, Xi linked the process of social redistribution directly with the right to Party rule. These campaigns also brought in huge bureaucratic and economic resources that several campaigns would be hailed as evidence of the superiority of the Chinese governance model compared to the Western liberal versions. Poverty alleviation beyond material deprivation was a discourse retort, which presented the image of the CCP as the protector of the people, with the concept of social justice being embedded in the national revival narrative. This made poverty reduction less an issue of redistributive justice as Marxists conceived it to be, but that of stabilising a moral economy that ensures the well-being of people coincides with the authoritative position of Party rule.

At last, the CCP has allowed some amount of labour grievances, but only in narrowly guarded systems. Experiences of late wage payments, unsafe working conditions, or even layoffs, may be met by protest, but this will usually be addressed within developmental or nationalistic rhetoric, which casts dissatisfaction as a setback to Chinese modernisation as opposed to challenges to Party rule. The free labour unions have been prohibited so that class struggle could not develop into independent class movement. The CCP ensures that tensions are diffused through permitting only narrowly defined avenues of dissatisfaction, but not system-wide criticisms. This practice of Gramsci's principle of dissent is never suppressed but re-engaged in paths that strengthen instead of endangering the hegemon. These initiatives reduce the class conflict and simulate the look of a peaceful society that is the centerpiece of the CCP hegemony principle.

When the material and ideological leadership of a class alliance is stabilised, a Gramscian historical bloc is constituted. The CCP has built such a bloc in China. Another distinctive aspect of developmental strategy in China is that it is closely linked with an incredibly strong narrative of national rejuvenation, where the story of economic growth is continuously represented not only as personal and individual enrichment but as the necessary steps toward reclaiming the past glory of the nation and its overall future. Such framing turns economic policies into a patriotic mission and makes people feel destined to share a common fate and social unity. By formulating growth as a subset of the larger task of overcoming historical humiliation and acquiring overall national power, the state is successfully directing popular expectations. It justifies its development approach in such a way that material progress can be seen as a shared effort whose benefits are felt by the whole of the society as opposed to something divisive.

One of the pillars of stability is the conscious provision of solid benefits to major urban groups, especially the growing middle and upper classes. These groups witness high upward mobility and living standards through sustained high growth, increased property prices, increased education and development in career prospects and greater consumption opportunities. Such material prosperity actively obtains their agreement with the existing political-economic order. By making the most powerful and talkative elements of the urban society believe that they stand to gain the most out of reform, the state develops a vital following. It forestalls eventual difficulties by individuals whose collaboration is crucial for maintaining the systems.

The state is strategically manoeuvring its way through the state of affairs between capital and labour by orchestrating a hybrid economy. It utilises its vast state-owned enterprises (SOEs) to dominate key sectors and maintain control over the macro-economy, while simultaneously fostering a vibrant private sector to drive innovation, job creation, and efficiency. Such a dual strategy enables the state to play as regulator and player, guiding investment, hedging market excesses and forcing private accumulation of capital to stay inside the frames established by the Party-state. By disallowing free rein of either the state bureaucracy or the private oligarchs and by fostering an ideology of the shared or common prosperity, this managed system hopes to dilute outright class warfare. It maintains a perception that economic development, albeit unequal, is not a zero-sum game in a state-managed context.

The economic model in China has been successful in stabilising the economy through providing prolonged upward movements as well as material gains to the urban middle and upper classes and keeping them firmly in the political base. These groups, through increasing incomes, not only enhance the commercial presence of China but also have become central beneficiaries of reform, with their interests tied to the status quo. Meanwhile, the state maintains close control over the process of class formation, strategically balancing state capital and private enterprise. State-owned businesses excel in strategic industries, while private enterprises lead in innovation and job creation, ensuring that neither the

uncontrolled power of the state nor that of private enterprises can be established. Such a combination of hybrid strategies with ideological discourses stressing common prosperity helps to avoid possible class war by presenting economic growth as a win-win situation instead of a zero-sum game between the masses and the wealthy. The outcome is a system where elite consent can be secured in conjunction with material inducements, as well as the elimination of social tensions through economic division of parts coordinated through state procedures.

The example of state-owned enterprises (SOEs) shows that they still dominate in areas considered to have national interest, where the rhetoric of socialism is complemented by capitalist action. By preventing any capitalist class from becoming strong enough to threaten the supremacy of the CCP, this hybrid model secures the absence of instability in the relationships between classes.

Normative and Ideational Foundations of Modernization in China: A Gramscian Perspective

Modernization is not merely a process of material transformation—it is also deeply ideational and normative. The Chinese Communist Party (CCP) has not only restructured China's economy and class relations since the reform era, but also redefined the normative order that governs society. From a Gramscian perspective, modernization in China is underpinned by a project of cultural hegemony, in which ideas, values, and beliefs are shaped to align with the ruling party's objectives.

This study explores the normative and ideational dimensions of modernization in China, analyzing how the CCP constructs and sustains a hegemonic worldview through education, media, nationalism, and ideology. These efforts help generate consent, manage dissent, and stabilize the political system in an era of rapid social and economic change.

Gramsci on Ideology, Culture, and Hegemony

Antonio Gramsci believed that to be politically dominant over others, it is not necessary just to have the state machinery to exercise coercive powers, but also to produce consent. This is done with the help of ideological leadership in the civil society, namely the schools of education, religious schools, culture and traditions, as well as mass media.

The term of cultural hegemony describes how the ruling forces keep their position without being solely coercive, but influencing the collective common sense. Within this structure, the values, norms and narrative of the elite end up being so ingrained into the society that it looks natural, unavoidable or even universally advantageous. This process conceals power inequalities to render the status quo appear naturalistic as opposed to man-made. As an example, consumerism, or nationalism, or meritocratic society could be popularly believed as self-evident even in cases where they support the status quo hierarchies. The various groups in power risk being repressed openly, achieving passive acquiescence through cultural saturation.

Any social order is held stable by ideological apparatuses, namely the institutions, such as schools, media, religious institutions or even families, which systematically pass to people the worldview of the ruling class. These bodies, in contrast to coercive forms of state power (such as police or army), normalise ideologies of dominance by persuasion and ordinary means. To give an example, the system of education can promote certain histories or abilities that meet the requirements of the economic elites, and media discourses glorify specific lifestyles or political agendas. Gradually, through the use of such apparatuses,

people learn to internalize and replicate values that help maintain the current power system and even do this consciously, being deprived of any actual understanding of the why and how this happens.

Normative order can be described as the invisible structure, the material against which a society deems acceptable, just or desirable. It is enforced by laws, cultural traditions and day-to-day social interactions, which all serve to designate some ways of behaving or believing as the normal ones and those that are different. This order is dynamic; literal groups constantly modify it to accommodate threats or conflicts to guarantee that their domination is readable as moral authority. As an example, these changes might include alterations in labour laws or gender norms. They can be described as a positive change, even though in some cases, they represent an illusion of equality in society. Regulating what can be done, the normative order does more than limit practices: it also makes certain things appear possible and imaginable - an essential way in which hegemony can be maintained without continually imposing itself by fiat.

In combination, these ideas tell us how power functions when it is no longer brutal: hegemony is stabilised by the fact that the dominated start conceiving the world as formulated by the dominant, formal institutions of ideology serve to make this comradeship natural, and the normative order drives the field of social struggle to define the domain of contentious politics.

When power is embedded into the moral and intellectual life of society, such power will become lasting, according to Gramsci in his theory. This structure is an excellent prism through which one can interpret the attempts of the CCP to determine the normative and ideational construction of China.

The modernisation initiative led by China is supported by a very coherent ideational structure that balances socialist ideology and pragmatic developmentalism and produces a unique pattern of governing. Its tenet is the determination of the Party-state, the so-called socialism with Chinese characteristics, which balances the market-driven forces and the centralizing political control. The synthesis of this ideology locates the rise of China as an alternative to its Western overrule and an extension of its civilizational restoration, national revival, which in turn, makes a connection between economic growth and national rejuvenation. Cultural hegemony is already won in narratives managed by the state that made development (key to collective destiny in Marxist thought) the main body of thoughts, as the ideological apparatuses (education, media, etc) ensure the status of the Party as the one sole author of progress. The outcome is a normative order in which modernization equates to stability, control, and obedience to the socialist project, and which makes a different vision of development illegitimate, even inconceivable.

This ideational centre is supported by an action of having and permission as the ideological limitation is authorised by material prosperity. The state is using its great ideological machineries that accept a paradox: that growth needs to be shepherded top-down and the individual liberties must be relegated to a more comprehensive interests. Couched in terms of the primacy of importance of the good of the people and national dignity, the Party also changes economic policies into a form of morality: legislation that criticises inequality or repression will be redirected as a hazard to the common good. This normative order gets its constant reinforcement in the selective acceptance of global capitalist standards, such as innovation, consumerism and so on, but with a refusal of the associated political liberalism. So, the modernization project in China is not just a restructuring movement, but an ideological regime itself, which makes the concept of development its civilizational mission led by the Party.

The period of Maoism was characterised by ideological dogmatism based on a class struggle and revolution. Conversely, the post-reform era of 1978 onwards brought a change to developmentalism, which focused on:

The economic growth in China has long been portrayed as a moral issue rather than a simple technical or developmental objective. The legitimacy of the Chinese Communist Party (CCP) has always been associated with providing people with increasing living standards, eliminating poverty, and restoring national power since the Reform Era, when the Party came to power after the so-called Century of Humiliation. As a collective good, growth is discussed as one that raises society, decreases inequality between regions, and confirms China's position in the world. In moralising economic development, the Party establishes material development as a justification for its continued existence, and the state must provide people with the prosperity they deserve.

Adding to this vision is the underlying of the social harmony as a national objective. Harmony is a political ideal that is based on the Confucian traditions but is rearticulated with lots of socialism done through the socialism speech since it discourages open conflict as a great source of instability and prioritise collective stability at the cost of individual conflict. The history of rapid modernization cannot avoid constructing inequalities and tensions and the discourse of harmony manages to redefine this issue as being addressable within the Party-state governance model. By reaffirming social cohesion as its mandate, the CCP avoids the disintegration of the society into groups with competing interests and instead creates an impression that dissent would only hurt not only the political power but also the moral order of Chinese civilization.

Both economic growth and social harmony have been based on a convenient form of governance with the emphasis on achievement rather than any orthodoxy. Deng Xiaoping succinctly expressed this spirit of pragmatism with his much-publicised maxim, that a cat did not have to be white or black as long as it caught mice. This sentiment pointed towards an abandonment of dogmatism concerning Maoism. This pragmatism justified experimentation, such as Special Economic Zones, mixed ownership firms and entities, which enabled the CCP to adjust to the changing domestic and international environments without losing political control. Practically, this meant that ideology was put secondary to the practical efficiency, and socialism was redefined in a manner that was supportive of modernisation. In such way, pragmatism became one of its survival tactics as well as the characteristic of the course towards power built around the reforms in China.

The change included reconstruction of normative legitimacy. Rather than revolutionary purity, CCP started to use some of the values like meritocracy, stability, modernization, and prosperity as the loci of legitimacy. The formal version of the ideology canonized as Socialism with Chinese Characteristics is hegemonic discourse of itself. It reinvents a concept of socialism, including:

- a) Confucian morality (filial piety, order, harmony).
- b) Pragmatic capitalism (entrepreneurship, efficiency, consumption).
- c) Nationalism (opposition to Westernisation, focus on sovereignty).

This ideology is a blend of various ideas, serving to unify a moral code in a rapidly evolving society that provides citizens with a sense of identity and destiny during the modernisation process. This is the typical Gramscian strategy: reformulation of ideologies that correspond to a new material and political reality. Nationalism is one of the hegemonic ideational tools that the CCP possesses. The Party has positioned

itself as the protector of national pride and national unity, particularly given the period of the Chinese century of humiliation.

The Cultural hegemony of the CCP is centred under the pillar of nationalism, which was carefully designed so that the legitimacy of the Party stands together with Chinese civilizational identity. The story of national rejuvenation ("The Chinese Dream") is turning economic modernization into a heroic task of returning China to its historic glory, and making the Party the critical engine of this salvation. Due to the memory of the so-called humiliation of the century (1839-1949), the CCP positions itself as the only one that can wipe out the historical oppression and bring power and respect to the whole world. A key example of such ideational work propagated in education, media, and propaganda is to make Party rule a natural extension of national survival, which is part of the collective psychological necessity of loyalty to the state.

The Party centrally weaponises the idea of nationalism in a bid to project dominion over disputed territories as a protector against disintegration. The CCP uses the symbolic language of anti-secessionism (anti-secession) and stability-maintenance (weihuanxing) in Xinjiang, Hong Kong and Taiwan to label its incursions as territorial deviance defences against foreign-inspired subversion. Such rhetoric repackages repressive policies (surveillance, repression, assimilation) as virtuous acts of patriotism that should involve general nationalism in support of the leadership that enacts the coercive measures. By combining a train of thought with loyalty, the Party fosters acquiescence in its sovereignty, thereby placing internal opposition in a life-threatening situation for the country, which in turn mutes criticism through a vocabulary of unity and self-sacrifice.

More importantly, this nationalist project is dependent on the very maintenance of the West as an eternal adversary, historically as well as in the present day. Once again, the historical narrative of the so-called century of humiliation casts the Western powers as chronic predators. These historical colonisers are now current agents of Western containment that involve depriving the Chinese of their growth. Present adversity (trade wars, technology bans, human rights criticisms) is cast as a new form of the oppression of old, which becomes a siege mentality that unites internally and under the control of the Party. Externalising culpability and transferring frustrations to an external foreign other, the CCP defuses internal contradictions and social discontent and redirects social tensions into nationally unifying, state-centred patriotism by which it legitimises its hegemony in power.

These stories create an ideological trinity of its own: the Party as saviour of its former greatness, guardian of its current unison, and deterrence against future menace, without which nationalism can become the foundation of its hegemonic power.

Nationalism is not only used to meet geopolitical interests but also for internal legitimation. It creates a moral dualism between who is good (the people, together with the Party) and who is bad (foreign powers, internal dissidents). In China, education can be described as one of the main tools of manufacturing consent and gaining the legitimacy of the Chinese Communist Party (CCP). Since their early years of schooling, the state-dominated curricula have led the students to a narrative mixing the idea of national identity with being loyal to the Party. Historical, political, and civic education are strictly controlled in order to present the Chinese struggle, growth, and revitalisation as only possible under the guidance of the CCP leadership. This makes classrooms into political socialisation centres, in which the transfer of knowledge is ideological indoctrination- conditioning young minds to believe that the doctrines of the state are common sense facts.

The sentimental side of this project is patriotism. Rituals (flag ceremonies) and symbols, together with historical trauma, selected and presented in a certain way, teach students to attach personal identity to national fate. This instils pride in the reawakening of China as well as the propagation of unity under Party control as a necessary means to fight against outside invasion. At the same time, the socialist virtues of collectivism, harmony, and common prosperity are promoted as morally better alternatives to the so-called Western individualism, not in the form of an abstract theoretical discourse but rather as a set of practical advice to civic life. The combination of these two focuses forms an emotional commitment to the Party, coupled with ideological conformity, so that loyalty to the Party should be considered not only as a personal commitment but also as a collective necessity.

More importantly, the educational machine entrenches the CCP as the indispensable creator of Chinese prosperity. Party successes are the main theme of textbooks and pedagogy: revolutionary victory, economic modernisation, alleviating poverty, and world competitive strength are stressed in detail. The CCP has monopolised the interpretation of history, and thus it is the only generator of past and future national success. This practical elimination of options means that every generation is handed a view of the world in which China can never be anything but a successful party-state--an ideological approval engineered deep into the bones of citizenship.

Civic education is uncritically defined as intended to foster an ideological allegiance and thus a specimen of what Gramsci calls the intellectual and moral leadership of dominant classes. The ideational environment is shaped mostly through state-controlled media. Through outlets like Xinhua, CCTV, and various platforms, including social media (e.g., WeChat, Weibo). The media environment in China is a highly controlled system of ideologised framing supporting the rigid Party-state-controlled ideology. Reporting of whether on economic success, diplomatic wranglings or social gaffs, is scrubbed to fit in programmatic narratives: the role of the CCP in acting as a stabilising force, the excellence of socialism for the Chinese, and the necessity of unity. Multifold reality, be it workers' protests or ecological disaster, gets boiled down to narratives of Party-led resolution and or external sabotage. Such framing turns news into frogmarches or acclamatory devices, with each event being used to support the legitimacy of Party rule and policies, and rendering journalism as a process of political socialisation instead of objective investigation.

Other perspectives are systematically destroyed by institutional and technological inhibition. Through censorship algorithms, social media is cleaned off of harmful speech, with editorial decisions silencing any antagonising journalism and penalising deviant interpretation. In the meantime, the information space is filled with controlled information by state media that drowns the voices of independent analysis. Such a two-fold approach (active suppression and passive saturation) produces a myth of consensus and makes any non-official point of view either imperceivable or illegitimate. Withholding oxygen to a counter-narrative (e.g. criticism of Xinjiang policy or Hong Kong polity), the state creates a type of public sphere in which the orthodoxy of Party thinking seems unassailable and even rational.

Promotion of zheng nengliang (正能量) redolent of uplifting, harmonious and patriotic content by the state itself comes across as an emotional tool of governance. The media campaigns enhance narratives of personal sacrifice in the name of collective good, technological superiority and nationalism and pathologize what have been termed negative expressions by highlighting social criticism, pessimism, etc. Passive acceptance is created through this cultivated emotional environment by:

- a) Reconditioning of the populace to gullible optimism,
- b) Linking compliance to moral virtue (the positivity of good citizens is considered);

c) Pathologization of dissent as socially destructive (anti) negativity.

Turning optimism into a civic duty, zheng nengliang turns political quiescence into a cultural value--where loyalty does not seem forced but conducted willingly.

All of these elements combined form a powerful system: framing shapes reality, marginalisation eliminates alternatives, and positive energy, as these engaged citizens use emotional influence to encourage others to adhere to the consensus, which is deliberately constructed. These behaviours exemplify a Gramscian war of position, where the ruling class seeks to dominate civil society's thought not through violence, but by influencing perceptions.

The CCP has also tried to put the moral discourse back into the process of modernization as an aspect of its hegemonic project. Traditional values have become especially popularized through campaigns; many such traditional ideas have been based on Confucian ideologies. The CCP persistently stresses core socialist values (such as prosperity, democracy and harmony) as a sort of updated manual of moral conduct in society. These 12 slogans are on every corner, appearing in schools, subways, and on the streets. They are constructed in order to appear universal and inspiring, yet are craftily phrased to be in keeping with Party objectives. An example of this is the meaning of the word democracy; It is not a multiparty election but a conviction by Party and majority. With the renaming of socialism into a collection of ordinary virtues, the Party grants its ideology the feeling of familiarity and a non-threatening nature, shutting down the boundary between personal morality and political responsibility. Collectively, these items keep the ideology of the Party intertwined with everyday life, softly titled propaganda that is more similar to common sense rather than forcing. This drive is the attempt to create a moral compass in society in the face of disorientation that modernisation and consumerism bring.

The modernization of China is more than an economic transition since it is also a normative and ideational project. The Gramscian viewpoint is that the CCP is effective in the creation of cultural hegemony, which is a blend of: Traditional values and contemporary ambitions, Capitalist approach and socialist principles, and Nationalist pride and competitiveness in the global context.

The Party has influenced a moral order through education, media, nationalism, and cultural governance, thereby entrenching its control. Such a normative aspect is not a sort of supplement to such material development but one of the key pillars of the hegemonic project. An insight into this would explain how the legitimacy of the CCP persists in a rapidly evolving and increasingly complex society.

The Institutional Dimension of Modernization in China: A Gramscian Perspective

Modernization in China is a multifaceted process that has not only reshaped the country's economy and society but has also brought about deep institutional transformations. From a Gramscian perspective, institutions are not neutral entities; they are arenas of hegemonic consolidation. They function as both the carriers of dominant ideology and the mechanisms for organizing consent and managing dissent. This section analyses the institutional transformations that have accompanied China's modernization through the lens of Gramsci's theory of hegemony, particularly focusing on how state structures, Party institutions, the legal system, and administrative apparatuses have been restructured to serve the goals of political consolidation and ideological leadership.

Gramsci and the Role of Institutions in Hegemony

In Gramsci's framework, institutions are key instruments in the war of position—the slow and continuous struggle to build and maintain hegemony within civil society. He distinguishes between: Political society: Comprising institutions of coercion (military, police, judiciary) and Civil society: Encompassing institutions of ideological reproduction (schools, media, churches, unions).

Institutions help to organise consent by structuring how individuals engage with power. They normalize the presence of the ruling class and make domination appear legitimate, rational, and natural. In the Chinese context, institutions serve as vehicles for the CCP's hegemonic project, integrating material, ideological, and cultural power into an enduring structure.

Through the organisation of interaction with power, the institutions assist in the organisation of consent. They render the existence of the ruling class as a given and domination legitimate, rational and natural. In China, institutions are instruments of the hegemonic project of the CCP, which has intertwined all material, ideological and cultural strengths into a permanent formation.

In comparison to liberal democracies regarding the political parties, which constitutes only one of a number of institutions of governance, the CCP is the focal institution that cuts across all facets of Chinese political and administrative existence. The Party: Dominates the military (through the Central Military Commission), Heads the state machine (through dual functions of cadres) Determines management verdicts (through Party committees in the courts), Influences education, the press and the morals of the people.

Gramsci expressed the idea of institutional leadership where the ruling class introduces both coercion and consent in institutions. The CCP has institutionalized its hegemonic leadership by cementing it throughout the state and its governance system.

The constitutional provision defining this role as leading one has also been entrenched in the law and practice of governance so that: No institution of the party state can exist outside the accountability of the Party, Democratic institutions, including the National People's Congress, (NPC) are more legitimizing mechanisms than mechanisms of power limitation, and Bureaucratic governance ideologically serves the interests of the Party. This is a clear-cut case of institutional hegemony, i.e. where the means of the formal state apparatus reinforce the power of a particular dominant class (or, as in the case, the Party in power).

Although there are legal reforms in China to modernize the economy in the country and to enhance dispute resolution, the reforms are institutionally subordinate to the Parties. Party-political legal committees control the courts, direct ideological campaigns (e.g., "legal work must conform to Xi Jinping Thought on the Rule of Law), and apply them as a form of selective repression and rule by law, as opposed to an independent rule of law.

According to Gramsci, institutions are structured towards serving and safeguarding the interests of the ruling strata and are not neutral. The Chinese legal system is a hegemonic institution, not in the sense of safeguarding pluralism, but in the imposition of the ideological and political order, which is the basis of modernisation.

Law is also employed to produce normative consent besides coercion. Legal reforms are indicators of modernisation, predictability and professionalism, particularly to the urban middle class, the foreign

investor and the privately owned entrepreneurs. The appropriation of legalism by the state through turning the process of legal reform into an icon of modernity and progress, despite not losing political supremacy, repeats the process of hegemony.

This has been one of the most effective institutional strategies employed by the CCP, resulting in the formation of a technocratic bureaucracy that promotes cadres based on administrative and educational performance rates, scientific planning in urbanisation and development of economic resources, and an increase in state capacity to deliver public goods. In this model, the concept of hegemony of Gramsci is supported in competency and leadership, in which the ruling group maintains its legitimacy in the eye of the general.

Gramsci stressed that hegemonic systems that have been successful are those that can adapt. This demonstrates the Chinese bureaucracy's great versatility in incorporating digital administration, Smart city infrastructure, and Big data systems (e.g., social credit systems). These technologies make efficiency and control easier and create a sense of modern rational authority and legitimise the institutional norms of authority.

The control of government-organised NGOs (GONGOs) is a crucial method for regulating social activity with strict oversight. Such organisations, usually created or strongly influenced by the state, mimic the independent civil organisations-centred on subjects such as environmentalism, charity, or community service-but exist in close Party-state control. They allow the regime to harness the energies of the population to embark on state-approved agendas, keep tabs on the possibility of activism and lend an air of participatory society around without allowing real grass root movements to be the effective face representing a challenge to authority. GONGOs retain and neutralise pressure to engage in a civil role, so that even ostensibly grass-roots movements exist within an overseeing perception held by the people in charge.

In the same way, licensed labour organisations, such as All-China Federation of Trade Unions (ACFTU), have served as a state means of regulating labour. These unions have as their formal mandate the representation of workers. However, they are officially part and parcel of the Party apparatus, wherein stability is the overriding consideration compared to the rights of workers. They repress independent strikes or collective bargaining and pay attention to welfare services, ideological education, and labour discipline enforcement. Concentrating the opposition of workers into the hands of the state and denying the new unions autonomy, the state achieves two objectives: it ensures complaints are channelled into harmless outlets, and it hypothetically quashes the greater unrest an independent union would create. This system changes unions, not the representatives of the labour cause, from an instrument of restraining class struggle to a guarantee of ensuring production processes are focused on state requirements.

To Gramsci, it would be a tactic of co-opting forces of opposition into the business of hegemony. The mechanisms also neutralize dissent that keeps an appearance of participation in the institutions.

The CCP enables minimal participation through its processes, including the People's Political Consultation Conferences and public commenting on laws. This creates an environment of responsiveness and diffuse consent with the intellectuals, professionals and NGOs. These approaches can be called in line with the Gramsci vision of a hegemonic project that absorbs and is not destroyed by civil society.

Institutionalizing Xi Jinping Thought

During Xi Jinping's tenure, the system of ideological unification has become a hallmark of the management system, with Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era formalised as the state ideology. This codification makes sure that the ideas offered by Xi are not just political slogans, but rules to follow that shape the outlook of policies and orthodoxy in ideology. By institutionalising the Xi Jinping Thought in official bodies, the Chinese Communist Party (CCP) hopes to instil a single-pointed ideological direction that cuts across every nook and corner of the Chinese state and society. By this, the Party secures its grip on the truth, and it gives the appearance of succession of the current leadership to historical development.

Among the main means of this institutionalization is the Part constitution. After the 19th Party Congress in 2017, the Xi Jinping Thought was officially enshrined together with Marxism-Leninism, Mao Zedong Thought, Deng Xiaoping Theory, and the Three Represents. It makes Xi a status equal to the leaders of the past who had a groundbreaking impact on the ideological development of the country, which will become both a sign of stability and a beginning of a new era. This constitutional nesting also makes the thought of Xi an obligatory referent for Party cadres; loyalties are owed not only to the institution of the CCP but to the personal leadership of Xi, hence establishing tighter centralisation of authority.

This thought has been embedded into national curricula, so that it will also spread throughout generations. From primary schools to universities, textbooks now incorporate the Xi ideas of socialism, national rejuvenation, ecological civilisation and global cooperation. The students will be expected to read, memorise, and implement these ideas, and the examinations and discussions in the classrooms will ensure that ideological conformity occurs. This educational reform is not limited to inculcating patriotism or prioritising the Party's interests over pupils' and students' thoughts; it aims for a synchronicity between the youth's thoughts and the Party's goals, making schools places where political compliance with the Party is more significant than student scores. On this note, the classroom is a significant field of hegemonic reproduction.

Institutionalization goes as far as the workplace of the bureaucrat, the judge and other state officials in the form of professional training. Mastering Xi Jinping Thought has become a critical component of official qualification, and of career promotion, through party schools, judicial academies and administrative institutes. Integrating ideological learning through professional training, the CCP can make sure that officials who will run the state will internalize and reiterate the dominant discourse in decision-making. This strategy ensures that the legal system, bureaucracy, and governance organs are the carriers of Party ideology, professional competence, and loyalties.

Collectively, these measures represent a top-down control aimed at harmonising ideological leadership and transforming institutions into instruments of hegemonic thought. Saturating the organisational structures with Xi Jinping Thought means that the CCP minimises the amount of ideological pluralism or policy deviation. The strategy is indicative of Gramsci, who thought that hegemony needed both material domination and permeation of philosophy at each stratum of society and politics. By doing so, the rejection of the thesis is neutralised within the Chinese political system, ensuring that various institutions, including schools and courts reproduce the same ideological framework. Consequently, consent is less individual and more the result of constant ideological indoctrination.

The Gramscian approach applied to modernisation in China as an economic or even technological transformation is inadequate; it is a highly institutional venture as well. The CCP has managed to

reorganise functions in the state and Party structures to create a system in which power is mediated through a centralised system, ideology is reproduced through law, education, and control and the control of participation and dissent is managed within a hegemonic system. It is the basis of these institutional arrangements that favours a combination of coercion and consent in such a way that they ensure the continuation of the hegemonic project of the CCP in the modernisation process. By so doing, China has come up with a unique kind of authoritarian institutionalised modernisation, in which the institutions do not exercise any inhibiting power, but replay it and legitimise it.

Impact on the World Order

China's rise and its Gramscian-led modernization are pivotal forces reshaping global dynamics in the 21st century. As explored, China's approach to modernization transcends mere economic growth—it represents a deliberate and strategic effort to establish an alternative hegemonic vision that challenges the U.S.-led liberal world order on ideational, material, and institutional fronts.

This counter-hegemonic movement is not merely a response to the existing global order, but an active process of reshaping global governance, reframing norms, and redefining power structures. Through its ideational challenge, China promotes an alternative narrative of development that prioritizes authoritarian governance, state-led capitalism, and cultural sovereignty. This narrative stands in stark contrast to the liberal values of democracy, individual freedoms, and free-market capitalism that the United States has championed since the mid-20th century. As China disseminates this vision through state-led media, cultural diplomacy, and multilateral institutions, it erodes the legitimacy of the liberal model in key regions, particularly in the Global South.

Materially, China's economic model offers a compelling alternative to the neoliberal economic prescriptions that have dominated the world order. Through initiatives like the Belt and Road Initiative (BRI) and the Asian Infrastructure Investment Bank (AIIB), China provides a new model of development financing that does not carry the same political and economic conditionalities imposed by the U.S.-dominated World Bank and IMF. This material challenge undermines the liberal order's economic hegemony, offering developing countries a way out of the traditional dependency on Western institutions. As China's economic influence grows, its integration into global trade and supply chains further accelerates the shift toward a multipolar economic world.

On the institutional front, China's increasing assertiveness in global institutions—from the United Nations to the World Trade Organization—is helping to establish new governance frameworks that reflect China's strategic priorities. These frameworks challenge the principles of liberal democracy and human rights enshrined in Western-led institutions, instead emphasizing state sovereignty, non-interference, and the centrality of development. By creating or reforming institutions such as the BRICS group, the Shanghai Cooperation Organization (SCO), and China's regional trade partnerships, China is building a parallel institutional architecture that further undermines the liberal world order's universality.

The impact of China's Gramscian modernization on the U.S.-led liberal order is profound and multi-dimensional. The United States, while still the largest global power, is now confronted with the reality of a rising China that is not simply seeking to coexist within the existing global order but is instead actively redefining that order to reflect its own vision. This shift challenges the liberal narrative of the end of history, which posited the triumph of liberal democracy and capitalism after the Cold War. China's alternative development model, which has lifted millions from poverty under an illiberal regime,

questions the liberal order's fundamental assumptions about the relationship between democracy and economic development, and the prioritization of individual rights over collective welfare.

The implications of this transformation are profound. In the future, it is likely to see the emergence of a multipolar world where China, alongside other rising powers, plays a dominant role in shaping global norms and institutions. This new global order may be characterized by greater plurality in governance structures, where diverse systems of political and economic organization coexist, and where the U.S.-led liberal order is just one among many rather than the singular global model.

In conclusion, China's Gramscian-style modernization is not just an economic or political development—it is a cultural and ideological revolution that is shifting the global balance of power. The United States, and the broader liberal world order, must confront the reality that they are no longer the sole arbiters of global governance. The future of international relations will likely involve a complex interplay of competing hegemonic projects, each vying for influence and legitimacy in a world order that is no longer defined solely by the principles of liberal democracy and capitalism. Whether the U.S.-led liberal order can adapt or whether China's counter-hegemonic vision will gradually supplant it remains one of the defining questions of the coming decades.

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